

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
(AMARILLO DIVISION)

U.S. DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS

FILED

TROY FRANKLIN and CYNTHIA DIANE §  
FRANKLIN, Individually, and on behalf §  
of HANNAH CLAIRE FRANKLIN, a §  
Minor Child,

Plaintiffs,

VS.

WELL-TECH MID-CONTINENT, INC.,  
d/b/a KEY ENERGY SERVICES, INC.  
MID-CONTINENT DIVISION, KEY  
ENERGY GROUP, INC. n/k/a KEY  
ENERGY SERVICES, INC. and  
RICHARD A. EDELMAN, JR.,

Defendants.

NANCY DOHERTY, CLERK  
BY *[Signature]*  
Deputy

AUG - 3 2000

NO. 2-99CV-275-J

ENTERED ON DOCKET

AUG - 3 2000

U.S. DISTRICT CLERK'S OFFICE

JUDGMENT

BE IT REMEMBERED that on the 1st day of August, 2000, came to be heard by the Court, the above-styled and numbered cause, and it appearing to the Court from an examination of the pleadings herein that HANNAH CLAIRE FRANKLIN (DOB: 3-31-99; SSN: 631-66-8941) is under legal disability as a Minor, and that said Minor Plaintiff has been monetarily injured and damaged as a result of that certain occurrence on or about April 23, 1999, as more fully set forth in Plaintiffs' Original Petition, and that said Minor is represented by TROY FRANKLIN and CYNTHIA DIANE FRANKLIN, Individually and as Next Friends; and it further appearing to the Court that the interest of the Next Friends may be adverse to that of the Minor Plaintiff, the Court did appoint William R. McKinney, Jr., an Attorney in good standing, licensed to practice law in Potter County, Texas, to be the Guardian ad Litem for the Minor Plaintiff;

BE IT ALSO REMEMBERED that after said Guardian ad Litem had made an investigation of the accident in question, and inquired into the facts of the case as to liability and damages, came the Next Friends for the Minor Plaintiff, and the Guardian ad Litem of said Minor Plaintiff, and

Defendants, by their Attorney of record, and all parties announced ready for trial, and a jury was expressly waived by all parties, and it was thereupon announced in open Court that, subject to the approval of the Court, all matters in controversy herein had been settled and compromised; and the Court, after reviewing the pleadings and hearing the evidence in regard to the accident and the damages therefrom as complained of in Plaintiffs' Original Petition, and after considering all the facts and circumstances with regard to same, and having duly considered the COMPROMISE SETTLEMENT AGREEMENT AND RELEASE, is of the opinion that said Agreement is under all the circumstances fair and reasonable, and it is in the best interest of the said Minor Plaintiff that such Agreement should be ratified and approved.

It is therefore ORDERED, ADJUDGED and DECREED by the Court that the COMPROMISE SETTLEMENT AGREEMENT AND RELEASE (Agreement) on file herein be and is hereby ratified and approved as being in the best interest of the Minor Plaintiff and is adopted as a part of this Judgment. The Court further approves the actions and conduct of William R. McKinney, Jr. in compromising and settling this suit as Guardian ad Litem for the Minor Plaintiff.

It is further ORDERED, ADJUDGED and DECREED that "Releasing Parties" recover from the "Released Parties", as described in the Compromise Settlement Agreement and Release, the payments described therein and made according to the terms and conditions set forth herein.

It is further ORDERED, ADJUDGED and DECREED that the Released Parties make payments as follows:

Future periodic payments (hereinafter "Periodic Payments") made according to the following schedule and made payable to Hannah Claire Franklin:

- a) Beginning June 1, 2017, \$25,000.00 annually for four (4) years guaranteed. Last payment will be made on June 1, 2020;

Said future periodic payment obligations may be funded by the purchase of a Qualified Funding Asset in the form of an annuity, within the meaning of Section 130(d) of the Internal Revenue Code of 1986, as amended, from AIG Life Insurance Company ("Annuity Issuer").

It is further ORDERED, ADJUDGED and DECREED that Defendants and/or their insurer may make an Assignment of the obligation to make the future periodic payments ordered herein by way of a Qualified Assignment within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, to American Home Assurance Company.

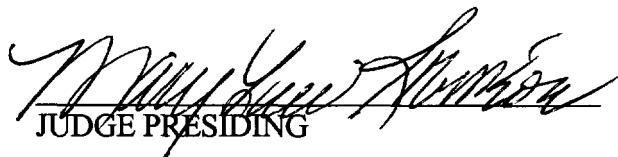
It is further ORDERED that William R. McKinney, Jr., the Guardian ad Litem for the Minor Plaintiff, recover the sum of \$ 1000.00 for services rendered, to be paid directly to the Guardian ad Litem by Defendants herein.

It is further ORDERED that all costs of court be taxed against the party incurring same.

It is further ORDERED, ADJUDGED and DECREED by the Court that upon payment of the sums outlined herein and the executing of a Qualified Assignment, the Defendants and all "Released Parties" as described in the Compromise Settlement Agreement and Release are hereby discharged and it is ORDERED, ADJUDGED and DECREED by the Court that Plaintiffs TROY FRANKLIN and CYNTHIA DIANE FRANKLIN, Individually and as Next Friends, take nothing further from them.

It is hereby ORDERED, ADJUDGED and DECREED that the property damage claim of JBL TRUCKING, LTD. and COLDWATER INDUSTRIES, INC. remains pending and is not affected by this Judgment. It is further ORDERED, ADJUDGED and DECREED by the Court that all relief not specifically granted to Plaintiffs TROY FRANKLIN and CYNTHIA DIANE FRANKLIN, Individually and as Next Friends, by this Judgment be, and is hereby, specifically denied.

SIGNED this 2nd day of August, 2000.

  
JUDGE PRESIDING

APPROVED AS TO FORM AND CONTENT:

T. Franklin  
TROY FRANKLIN, Individually and on behalf of  
HANNAH CLAIRE FRANKLIN, a Minor Child

Cynthia Diane Franklin  
CYNTHIA DIANE FRANKLIN, Individually and on behalf of  
HANNAH CLAIRE FRANKLIN, a Minor Child

J. K. Murray  
Guardian Ad Litem for HANNAH CLAIRE FRANKLIN

Brian P. Heinrich  
BRIAN P. HEINRICH, Attorney for Plaintiffs  
TEMPLETON, SMITHEE, HAYES, FIELDS,  
YOUNG & HEINRICH, L.L.P.